

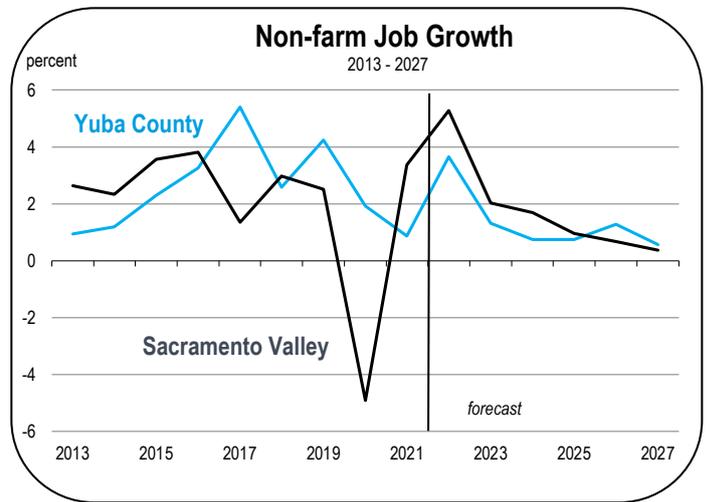
Yuba County Economic Forecast

Forecast Summary

- The pandemic lockdowns and business restrictions that characterized much of 2020 and the first half of 2021 had very little effect on Yuba County. Consequently, the Yuba labor market was one of the first counties in California to recover from the recession.
- Employment will further rise by between 700 and 800 jobs in 2022.
- Over the 2022 to 2027 period, the healthcare sector will lead all other labor markets in job creation.
- The public sector and professional business services will also add significantly to the job base.
- The unemployment rate averaged 8.5 percent in 2021. It is forecast to average 5.4 percent in 2022 and 5.8 percent in 2023.
- The population will grow at an average rate of 1.0 percent over the forecast period. Within the greater Sacramento Valley region that includes 6 counties, only Placer and Sacramento Counties will generate faster population growth.
- The median home price increased by 16 percent in 2021. The median value for all homes sold was \$385,000. Selling values are expected to increase 7 percent in 2022 and record little or no price appreciation in 2023.

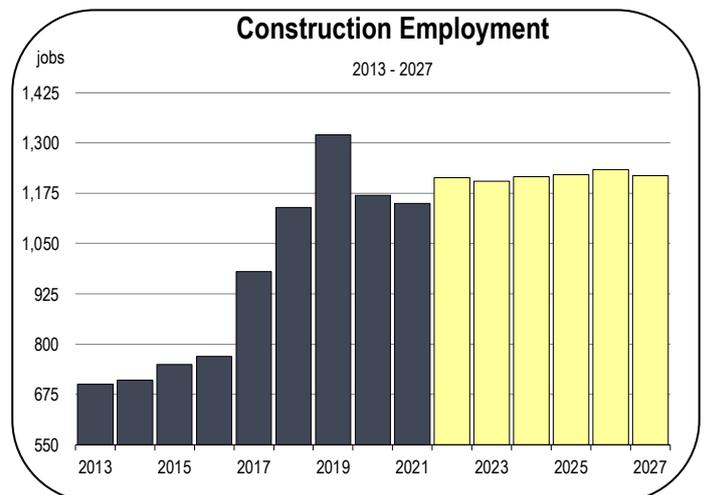
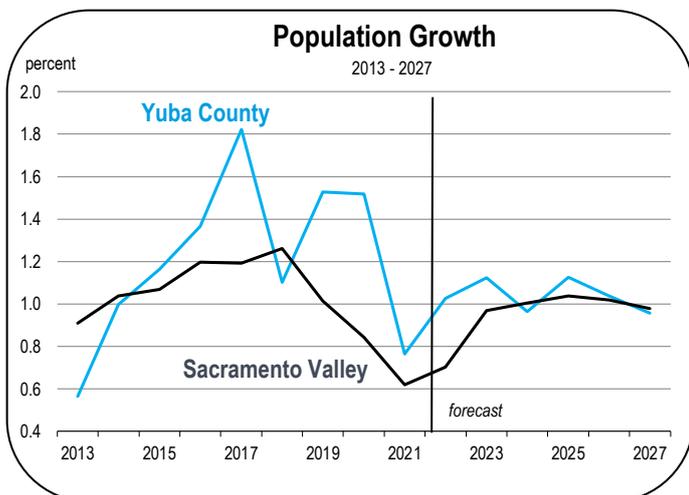
Job Growth

- Total employment is expected to increase by 3.8 percent in 2022.
- Between 2022 and 2026, job growth will average 1.6 percent per year.

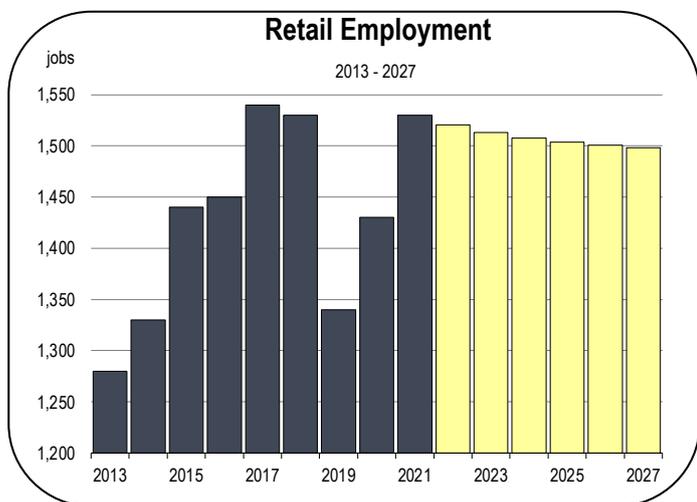


Construction Employment

- In 2022, employment in construction will rise to its highest level since 2019, adding an estimated 50 jobs.
- Construction employment will remain at current levels over the forecast. While there are new development projects that include new housing either entitled or in the planning queue, the annual volume of units started is either consistent with or slightly less than the number of units that were under construction over the 2018 to 2021 period.



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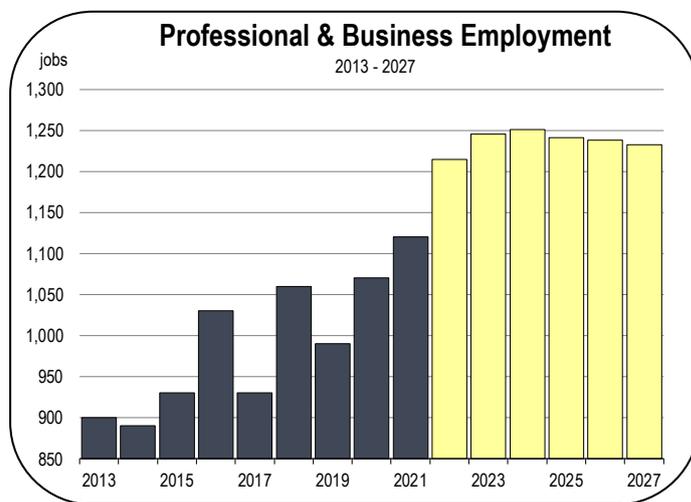


Retail Trade Employment

- Employment within retail outlets has now recovered, unlike retail labor markets in many California counties.
- Local stores will struggle to compete with (1) online retailers outside of Yuba County, and (2) physical stores in adjacent Placer and Sutter Counties which dilute the ability of the industry to add more establishments and workers.
- The largest retail employers are primarily in Marysville, and include the Walmart Supercenter, FoodMaxx, Meijer, and Kroger.

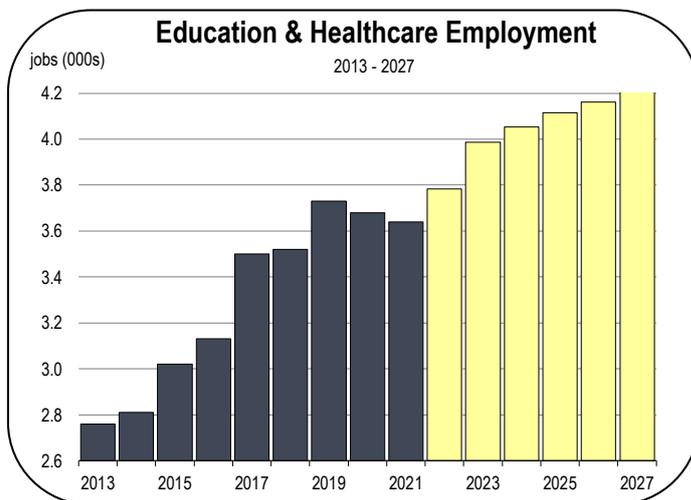
Professional and Business Services Employment

- The professional and business services industry in Yuba County is largely professional, administration, employment services, and services to buildings.
- Most of the 50 jobs gained in 2021 was in staffing agencies. In Yuba County, staffing agencies typically work with the agriculture industry, providing workers to local farms on a contract basis.
- During 2022, 90 to 100 jobs will be created in this sector.
- The professional and business services sector is forecast to grow over time. Employment in this industry is expected to rise at an average annual rate of 2.1 percent per year.

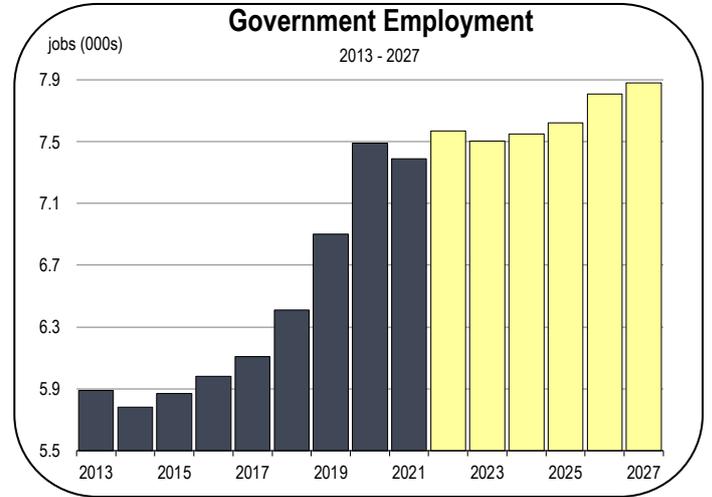
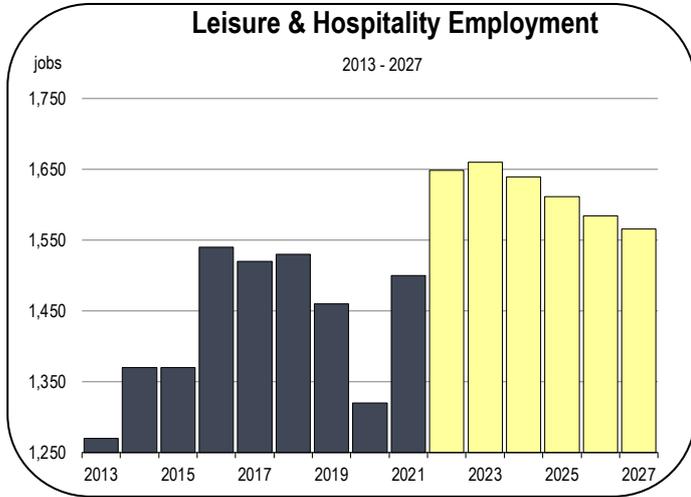


Healthcare Employment

- Healthcare represents the largest private sector employer in the county. Just under 30 percent of all private sector jobs are in healthcare. This NAICs sector also includes private education jobs, but these constitute less than 100 positions in total headcount.
- The largest healthcare establishment in the county is the 209 bed Adventist Health Medical Center in Marysville. Adventist Health and Rideout employs more than 1,000 workers across several facilities in the county.
- Marysville Care Center is an 86-bed senior care facility that is the second largest healthcare employer in Yuba County.
- The industry will create 140 new jobs during 2022.
- From 2023 to 2027, healthcare organizations will generate an average of 100 new jobs per year.



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Leisure and Hospitality Employment

- 180 jobs in the industry were restored in 2021 and 150 more jobs will be added to total leisure/hospitality employment in 2022.
- The most prolific job growth is forecast for 2023 and 2024, stabilizing or modestly contracting thereafter. Growth will occur principally at the Hard Rock Casino, showing up as public sector job gains.
- The largest public venue for recreation/entertainment is the Toyota Amphitheatre, near Wheatland. The structure has a capacity of 18,500 seats and is principally used for rock and country concerts.

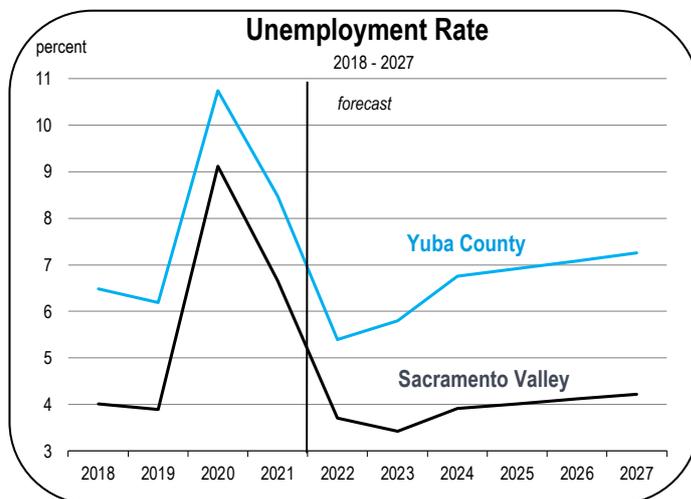
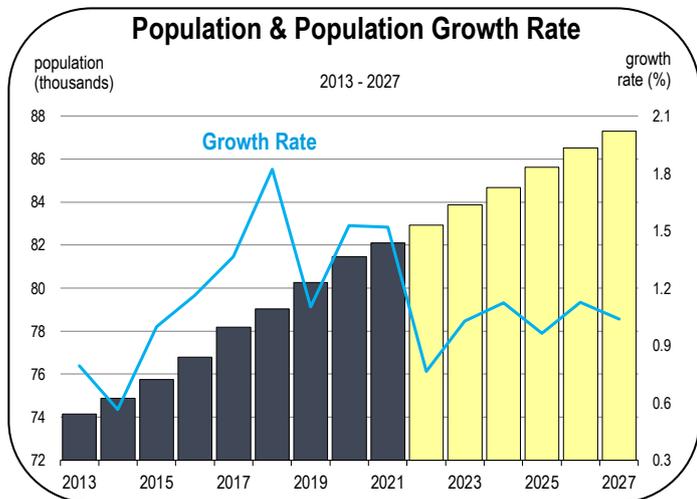
Government Employment

- The Hard Rock Hotel and Casino in Wheatland is one of the larger employers in the County, with 169 rooms and an estimated 1,300 workers. Most of these employees work in food/beverage. The Casino is operated by the Rancheria Estom Yumeka Maidu Tribe.
- State and local government employment has now entirely recovered from the calamity of 2020 which included school closures. During 2022, 160 more positions were filled pushing public sector employment to the highest employment level on record.
- Public sector employment is not forecast to expand as it has in the past, notably from 2015 to 2020. Job growth will be positive but modest, in step with the growth of K-12 public enrollments.



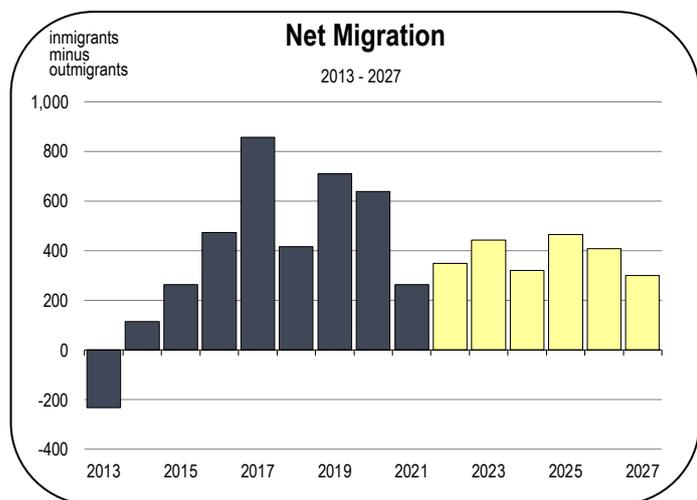
Toyota Amphitheatre in Wheatland

Yuba County Economic Forecast



Population Growth

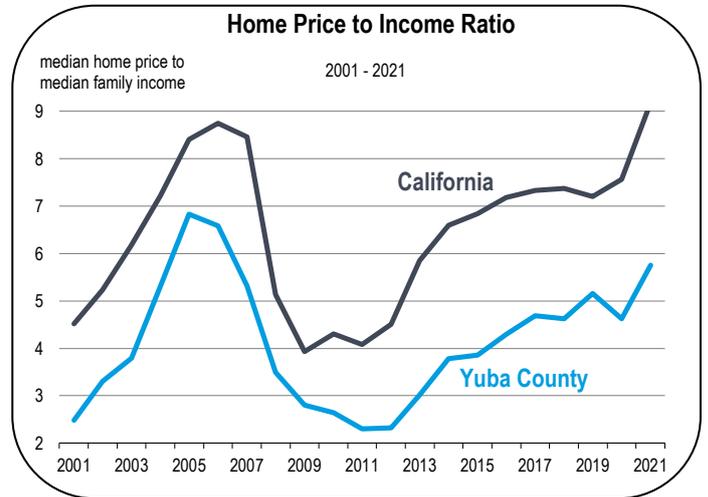
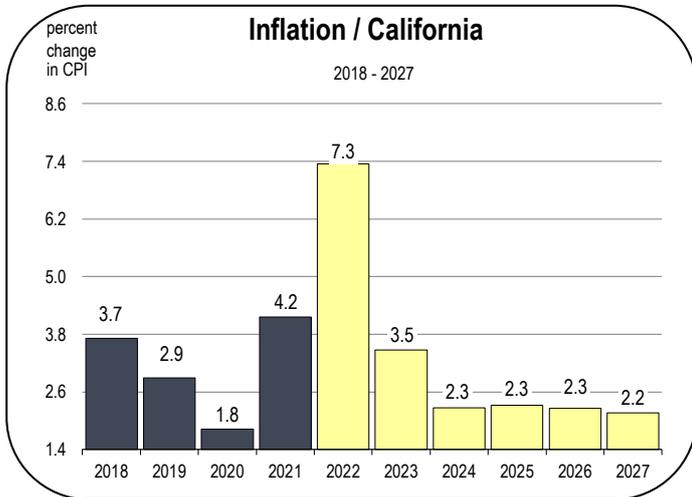
- The Yuba County population is expected to grow at a 1.0 percent pace over the next 5 years.
- Between 2022 and 2027, there will be more people who move into Yuba County than residents who move out. This migratory process will add an average of 388 residents to the Yuba County population annually.
- Yuba County has a relatively young population with a higher birth rate. Over the forecast period, the natural increase (births minus deaths) will add approximately 490 residents to the county each year.
- Population expands because there is a proactive approach in the county to permit new housing and it is relatively affordable.



Unemployment and Inflation Rates

- Lower education attainment of the population and a larger proportion of the workforce engaged in farming are the reasons why the Yuba County unemployment rate is higher than the region-wide average.
- An unemployment rate below 8.0 percent signifies a fully employed workforce in Yuba County.
- The unemployment rate is expected to average 5.4 percent in 2022 and 5.9 percent in 2023.
- Inflation soared in 2021 and is expected to remain elevated during 2022 and the first half of 2023.
- During 2023 and 2024, there will be a number of factors that will contribute to higher inflation. The most prominent will be:
 - Record levels of spending by consumers and the federal government during 2021 and 2022
 - Persistent fractures in the global supply chain that have raised the cost of production for many businesses
 - Sharp increases in the cost of energy, due to new U.S. energy policies and the Eurasian war
 - Labor market recruitment challenges that have forced companies to raise wages sharply in 2022
- Combined, these factors have pushed inflation to its highest rate in 40 years. Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2022.
- However, inflation will begin to decelerate during 2023 as supply chains and the labor force are gradually restored, eventually falling to below 3 percent again by mid-2024.

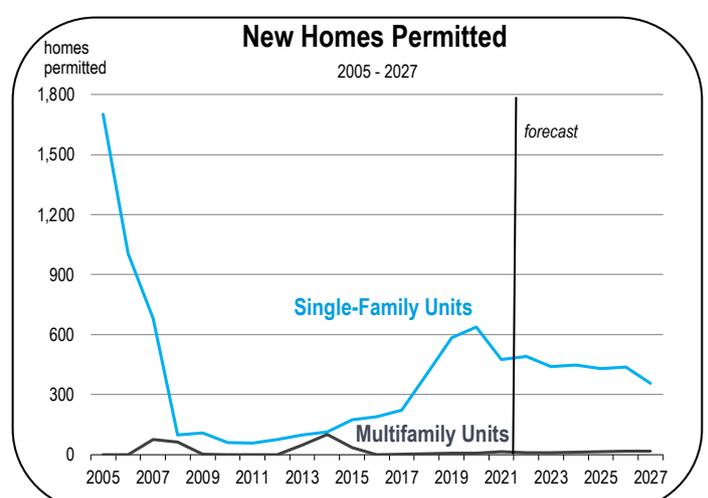
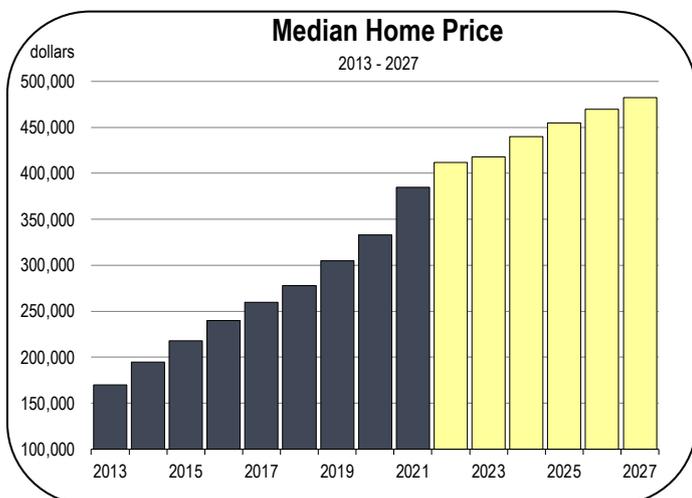
Yuba County Economic Forecast



Home Prices and New Housing Production

- In 2021 the median home value in Yuba County increased 15 percent to \$384,500.
- Home prices have been rising sharply in Yuba County for most of the last decade. Between 2011 and 2021, the median price increased at an average rate of 9.4 percent per year.
- Home prices in Yuba County are forecast to rise by 7 percent in 2022. However, selling values have clearly softened for home sales during the 2nd half of the year. The median price has averaged \$420,000 compared to \$436,000 during the first 6 months.

- Homes in the \$400,000 range are still affordable to many households. In 2021, a typical household in Yuba County would have had to spend just 20 percent of its pre-tax income on mortgage payments in order to afford the median-priced home, which is well below the California average.
- Mortgage rates near historic lows kept mortgage payments very low despite rising prices for most of the last decade. This scenario has clearly changed and consequently, sales are slowing down and selling prices are contracting.
- From 2016 to 2021, an average of 425 new homes were started per year in Yuba County. Virtually all were single-family homes.



Yuba County Economic Forecast

- Housing production is expected to average approximately 450 homes per year from 2022 to 2027, consisting almost entirely of single-family homes.
- One of the biggest developments going on in the county is the East Lake Apartments. East Lake Apartments will be a 71-unit apartment complex. The goal of the apartments is to provide affordable housing for 60% of the area median income for Yuba City.
- New permit applications were also submitted in July of 2022 for more apartment complexes. The respective apartments complexes will be 56 and 80 units in size.
- Marysville is also working on a major highway construction project along the 9-mile stretch of Highway 70 near the Yuba-Butte County line. The project calls for to widen and pave the shoulders, provide a 14-foot two-way left turn lane, and provide a continuous passing lane.
- The project is predicted to cost \$131 million and is already under way. Completion is targeted for December 2023.
- The Yuba County Board of Supervisors recently approved the creation of the Business Façade Grant Program. The program will draw from the \$15 million the county received from the American Rescue Plan. Business located in the commercial corridor in Linda will receive funding for new facades.



East Lake Apartments

Yuba County Economic Forecast

Economic Indicators

2015-2021 History, 2022-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (millions)	Total Taxable Sales (millions)	Real Industrial Production (millions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (millions)	Inflation Rate (percent)
2015	75,748	25.2	263	209	69.8	\$2.8	\$335	\$498	\$162	\$44,489	9.4	\$276	1.4
2016	76,782	25.4	473	190	71.6	\$2.9	\$360	\$525	\$176	\$44,744	8.6	\$250	2.3
2017	78,181	25.7	856	225	71.2	\$3.0	\$392	\$578	\$188	\$44,083	7.5	\$257	3.0
2018	79,043	26.0	416	405	72.4	\$3.2	\$419	\$623	\$373	\$44,494	6.5	\$263	3.7
2019	80,250	26.4	709	593	75.1	\$3.4	\$445	\$672	\$200	\$45,265	6.2	\$249	2.9
2020	81,468	26.8	639	645	75.9	\$3.7	\$513	\$765	\$201	\$47,548	10.7	\$227	1.8
2021	82,091	27.2	263	489	78.0	\$3.8	\$666	\$990	\$198	\$45,905	8.5	\$279	4.2
2022	82,934	27.6	348	499	79.1	\$4.2	\$681	\$955	\$203	\$47,258	5.4	\$285	7.3
2023	83,866	28.1	442	451	80.5	\$4.4	\$701	\$986	\$210	\$47,266	5.8	\$281	3.5
2024	84,674	28.5	319	459	81.7	\$4.6	\$717	\$1,008	\$216	\$47,946	6.8	\$270	2.3
2025	85,627	28.9	464	446	82.8	\$4.8	\$734	\$1,032	\$222	\$48,612	6.9	\$271	2.3
2026	86,515	29.4	407	455	83.8	\$5.1	\$754	\$1,058	\$227	\$49,224	7.1	\$268	2.3
2027	87,343	29.8	350	373	84.8	\$5.2	\$770	\$1,081	\$230	\$49,456	7.3	\$268	2.2
2028	87,927	30.1	166	330	85.7	\$5.4	\$787	\$1,104	\$233	\$49,714	7.4	\$268	2.2
2029	88,469	30.5	80	293	86.7	\$5.6	\$808	\$1,133	\$235	\$49,988	7.5	\$268	2.3
2030	88,985	30.7	65	262	87.5	\$5.8	\$830	\$1,161	\$237	\$50,229	7.6	\$268	2.2
2031	89,508	31.0	93	250	88.4	\$6.0	\$850	\$1,188	\$239	\$50,624	7.6	\$268	2.1
2032	90,043	31.2	121	249	89.2	\$6.2	\$872	\$1,218	\$241	\$50,934	7.6	\$268	2.3
2033	90,524	31.4	74	252	90.0	\$6.4	\$892	\$1,245	\$244	\$51,468	7.6	\$268	1.9
2034	90,980	31.7	68	255	90.8	\$6.7	\$915	\$1,274	\$246	\$51,923	7.6	\$268	2.1
2035	91,415	31.9	72	253	91.6	\$6.9	\$939	\$1,306	\$248	\$52,355	7.5	\$268	2.2
2036	91,834	32.2	66	250	92.3	\$7.1	\$967	\$1,344	\$250	\$52,628	7.5	\$268	2.6
2037	92,219	32.4	41	247	93.1	\$7.4	\$997	\$1,383	\$251	\$52,873	7.5	\$268	2.7
2038	92,596	32.6	46	240	93.8	\$7.7	\$1,025	\$1,421	\$252	\$53,179	7.5	\$268	2.5
2039	92,969	32.9	53	237	94.6	\$7.9	\$1,056	\$1,463	\$252	\$53,372	7.5	\$268	2.7
2040	93,340	33.1	58	234	95.3	\$8.2	\$1,086	\$1,503	\$253	\$53,565	7.5	\$268	2.6
2041	93,714	33.3	64	232	96.0	\$8.5	\$1,113	\$1,539	\$255	\$53,913	7.5	\$268	2.2
2042	94,104	33.5	69	230	96.6	\$8.7	\$1,139	\$1,574	\$256	\$54,264	7.5	\$268	2.1
2043	94,503	33.7	75	230	97.2	\$9.0	\$1,166	\$1,609	\$258	\$54,642	7.5	\$268	2.0
2044	94,911	33.9	80	229	97.8	\$9.3	\$1,190	\$1,640	\$260	\$55,074	7.5	\$268	1.8
2045	95,321	34.2	85	228	98.4	\$9.6	\$1,217	\$1,675	\$261	\$55,432	7.5	\$268	1.9
2046	95,740	34.4	91	227	98.9	\$9.9	\$1,245	\$1,713	\$263	\$55,733	7.4	\$268	2.0
2047	96,170	34.6	96	227	99.4	\$10.2	\$1,275	\$1,753	\$264	\$55,932	7.4	\$268	2.2
2048	96,608	34.8	101	226	99.8	\$10.5	\$1,309	\$1,798	\$264	\$56,072	7.4	\$268	2.3
2049	97,058	35.0	107	226	100.3	\$10.8	\$1,340	\$1,838	\$265	\$56,348	7.4	\$268	2.0
2050	97,523	35.2	112	226	100.7	\$11.1	\$1,373	\$1,881	\$267	\$56,563	7.4	\$268	2.1

Employment Sectors

2015-2021 History, 2022-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade (jobs)	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
2015	16,390	780	750	710	610	1,640	230	930	100	3,020	1,370	5,870
2016	16,630	510	770	700	590	1,650	230	1,030	100	3,130	1,540	5,980
2017	17,770	780	980	710	610	1,820	280	930	100	3,500	1,520	6,110
2018	18,180	750	1,140	700	580	1,730	280	1,060	100	3,520	1,530	6,410
2019	18,880	710	1,320	760	580	1,630	290	990	100	3,730	1,460	6,900
2020	19,260	740	1,170	690	600	1,730	290	1,070	100	3,680	1,320	7,490
2021	19,360	680	1,150	680	630	1,900	240	1,120	100	3,640	1,500	7,390
2022	20,100	738	1,203	720	623	1,906	242	1,215	101	3,782	1,648	7,570
2023	20,360	746	1,205	721	673	1,915	243	1,245	101	3,987	1,660	7,504
2024	20,510	749	1,216	722	687	1,919	244	1,251	102	4,052	1,639	7,549
2025	20,660	751	1,222	722	701	1,924	245	1,241	102	4,114	1,611	7,620
2026	20,920	756	1,234	722	713	1,930	245	1,238	102	4,163	1,584	7,807
2027	21,040	759	1,219	723	723	1,935	245	1,233	102	4,208	1,566	7,880
2028	21,140	761	1,201	724	728	1,938	245	1,228	101	4,253	1,549	7,954
2029	21,270	762	1,194	724	733	1,940	245	1,222	101	4,298	1,553	8,027
2030	21,400	763	1,179	725	738	1,942	245	1,220	101	4,341	1,557	8,102
2031	21,530	763	1,177	725	742	1,945	245	1,222	101	4,384	1,560	8,178
2032	21,670	764	1,177	725	746	1,947	245	1,224	101	4,426	1,564	8,255
2033	21,810	764	1,177	724	749	1,950	245	1,226	101	4,467	1,567	8,334
2034	21,950	765	1,188	723	752	1,952	244	1,228	101	4,508	1,571	8,414
2035	22,080	766	1,191	723	754	1,954	244	1,230	101	4,547	1,574	8,495
2036	22,210	766	1,185	722	757	1,956	244	1,232	101	4,586	1,578	8,578
2037	22,340	766	1,180	721	759	1,957	244	1,233	100	4,623	1,581	8,662
2038	22,460	765	1,174	720	761	1,959	243	1,235	100	4,660	1,585	8,748
2039	22,590	764	1,167	719	762	1,961	243	1,236	100	4,697	1,588	8,835
2040	22,700	763	1,160	718	764	1,962	243	1,238	100	4,732	1,592	8,910
2041	22,810	763	1,155	717	765	1,964	242	1,239	100	4,766	1,595	8,986
2042	22,910	762	1,144	716	766	1,965	242	1,241	100	4,800	1,599	9,062
2043	23,030	762	1,144	715	767	1,966	242	1,242	100	4,833	1,602	9,140
2044	23,150	761	1,144	715	768	1,968	242	1,243	99	4,865	1,605	9,218
2045	23,260	759	1,144	714	769	1,969	241	1,244	99	4,897	1,609	9,298
2046	23,380	758	1,144	714	770	1,971	241	1,246	99	4,927	1,612	9,379
2047	23,500	756	1,144	713	771	1,972	241	1,247	99	4,957	1,616	9,462
2048	23,620	755	1,144	713	772	1,974	240	1,248	99	4,986	1,619	9,545
2049	23,730	753	1,144	712	773	1,975	240	1,249	99	5,015	1,622	9,630
2050	23,850	752	1,144	712	774	1,977	240	1,250	99	5,043	1,626	9,716

Yuba County Economic Forecast

Socioeconomic Indicators

